

California M E D I C I N E

EDITORIAL

Antiquated Industrial Fees

INDUSTRIAL MEDICAL and surgical fees, long a bone of contention in California, came again into the limelight last month, when an interim committee of the State Senate devoted particular attention to them. As a result, medicine had its first opportunity in years to present a review of the history of such fees and to point out the present predicament of the doctor in trying to obtain adequate payment for his vital services in industrial accident cases.

Oddly enough, the physician is recognized by all concerned as the keystone in handling all industrial accident cases but is nonetheless lightly brushed aside by all other parties when the value of his services is considered.

To the injured workman, the physician is the skilled practitioner who heals his injuries and restores him to full vigor and function; at the same time, the physician is treated as a "company man" who is ever ready to testify disparagingly on the workman's claim for compensation payments. To the insurance carrier, the doctor is a supplier of services which are bought in a competitive market, to the financial advantage of the corporation underwriting the risk. To the Industrial Accident Commission, the physician is a necessary element in each case but still a self-sufficient individual who must look to himself to secure just payment for his services. To the state Insurance Commissioner, the doctor is merely a bargaining agent whose demands for compensatory fees may result in increased premium rates for disability insurance.

This unenviable position has forced physicians to enter the bargaining market in an effort to obtain proper payment for their services. Now, for the first time, the doctors of California have available the type of economic information required for such bargaining.

Starting in 1950, a special committee of the California Medical Association went about a systematic

program of studying the economics of industrial medical practice. Business indices, cost of living figures, wage bases and other economic factors were studied. The moral basis for setting industrial injury fees was considered, as were the historical facts in industrial practice and the common-sense factors in a system greatly enlarged since its beginning in 1914.

Out of these studies has come the realization, unbelievable to some and unacceptable to others, that industrial medical fees have lagged far behind the economic trends which affect all other fees and prices. The doctor handling industrial cases is, bluntly, being discriminated against in terms of economic justice.

Industrial fees, as stated in an official 1918 fee schedule, were based at that time on the fees which physicians might expect to receive from private patients with an average annual income of \$1,250. With the average for all covered employees today at more than \$3,700 annually, the doctor might expect about a 200 per cent increase in such fees. Instead, he shows about an 80 per cent increase.

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Is the physician's fee based upon his cost of operating his practice? If so, he is again from ten to twenty years behind the economic wave in his industrial fees. Is his fee based on cost of living figures? If it is, the industrial part of his practice is in the red.

The C.M.A. committee, armed with this information, has now come up against the bleak realities of trying to get official recognition of industrial fees in keeping with the times and the economic forces operating in all other parts of the industrial insurance picture. Between the Insurance Commissioner, the Industrial Accident Commission and the insurance carriers, the doctor is left to shift for himself, for none of them are willing to face up to the fact that industrial fees must be radically adjusted if they are to be made equitable and set at a level where the vast majority of California physicians can and will handle industrial accident cases.

Under this squeeze, the C.M.A. committee has suggested two possible moves. First would be the attempt to secure legislation placing the responsibility and authority for establishing an industrial fee schedule squarely in the lap of a state authority. Second would be the possible drafting of an adequate fee schedule which would be recommended for use by all physicians whether it did or did not carry the approval of any of the state agencies or the insurance carriers.

Both these suggestions are fraught with pro and con considerations. Both include elements which are not easily palatable to physicians. Both have inherent dangers which might bring about their failure. On the other hand, if bargaining across the table offers no more chance for success than has heretofore been demonstrated, radical alternatives may be indicated.

If justice to all is to prevail, common sense would dictate the objective consideration of this problem

by all concerned, with a view toward a swift and equitable settlement with the least possible disruption of existing relationships.

1953 Annual Session

PRECEDENT WILL BE broken in the C.M.A. 1953 Annual Session, when the familiar four-day meeting will give way to a five-day program.

As now planned, Sunday and Wednesday, May 24 and 27, will be reserved for meetings of the House of Delegates, with no Association scientific meetings scheduled for either day. On Monday and Tuesday, both general and sectional meetings will be held, and on Thursday additional sectional sessions will convene. Wednesday will also be set apart for meetings of the other medical organizations, including heart, chest, industrial and other groups. The day will likewise be available for medical golfers, for visiting scientific and technical exhibits and for such other business as visiting members may have.

The proposed program will allow the House of Delegates more time for the transaction of its business, a sorely needed provision in light of the harried schedule presented to that body in recent years. It will also allow reference committees more time for hearings and deliberations and members of the House time to attend at least some of the scientific sessions. It will permit a more orderly scheduling of all sessions and, simultaneously, it will permit any member to attend the session for only four days without losing important programs if his own schedule is crowded.

In its augmented size, the C.M.A. for several years has faced the need for organizing its annual session on a broader basis, for the benefit of both business and scientific functions. The five-day meeting seems to be the answer.

C.M.A. INTERIM SESSION, DECEMBER 6-7

Mark Hopkins Hotel, San Francisco

SCIENTIFIC PROGRAM

Symposium on Burns

Present Concepts in the Treatment of Acute Burns—William A. Todd, Jr., Colonel, MC, USA, chief of surgical service, Letterman Army Hospital, San Francisco.

Fluid and Electrolyte Problems Relating to Burns—James Hopper, Jr., M.D., director of clinical laboratories, University of California Hospital, and assistant professor of medicine, University of California School of Medicine.